



VIETNAM DAILY NEWS



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Market Analysis

1. Shares gain on large-cap stocks

Shares continued to rise on Thursday thanks to the gain of large-cap stocks.

On the Ho Chi Minh Stock Exchange, the VN-Index gained 0.47 per cent, to close at 1,055.32 points.

More than 731.1 million shares worth VND12.3 trillion (US\$519.1 million) were traded in the southern market.

The market breadth was positive with gainers outnumbering losers by 228-181. Another 85 closed flat.

Nineteen out of the top 30 shares by market value and liquidity on the HoSE gained value, while eight declined.

The VN-30 Index, tracking the 30 biggest stocks on HoSE, gained 1.13 per cent to close at 1,068.08 points.

In the VN-30 basket, the biggest gainers included Asia Commercial Bank (ACB), Vietinbank (CTG), Bank for Investment and Development of Viet Nam (BID), PetroVietnam Gas JSC (GAS), Hoa Phat Group (HPG), FPT Corporation (FPT), SSI Securities Inc (SSI), Vinamilk (VNM), VPBank (VPB), Masan Group (MSN), Mobile World Group (MWG) and Sacombank (STB).

On the other side, losers were property giant Vinhomes (VHM), Vingroup (VIC), Phat Dat Real Estate (PDR), Bao Viet Holdings (BVH), Tien

Phong Bank (TPB), Vingroup (VIC), and Vincom Retail (VRE).

Notably, in November, FPT Corporation, one of the blue chips in the VN-30 basket, earned revenue of VND4.14 trillion and after-tax profit of VND614 billion.

In the first 11 months of this year, FPT's revenue reached VND39.24 trillion and pre-tax profit of VND7.17 trillion, up 23.4 per cent and 22.5 per cent respectively over the same period last year. Deducting expenses, FPT's 11-month post-tax profit was VND6.16 trillion, an increase of more than 26 per cent compared to the same period in 2021.

Fifteen out of 25 sector indices on the market gained ground, including wholesale, insurance, securities, retail, healthcare, oil and gas, banking, construction materials, logistics and seafood processing.

Meanwhile, losers were real estate, information and technology, agriculture, food and beverage, rubber production and construction.

On the Ha Noi Stock Exchange, the HNX-Index lost 0.12 per cent to close at 212.95 points.

Trading value on the northern exchange reached VND1 trillion, with trading volume of 71.5 million shares.

Macro & Policies

2. ADB raised Viet Nam's economy to 7.5% this year

This information was announced in ADB's Asian Development Outlook (ADO) 2022, released on Wednesday.

ADB's forecast Viet Nam's inflation for 2022 is revised down to 3.5 per cent.

Though trade continues to expand, signs show weakening global demand for the country's exports. Growth for 2023 is therefore adjusted down to 6.3 per cent as major trade partners weaken, the bank said.

ADB has lowered its economic growth forecasts for developing Asia and the Pacific amid a worsened global outlook.

The region's economy will grow 4.2 per cent this year and 4.6 per cent next year. ADB estimated in September that the economy would grow 4.3 per cent in 2022 and 4.9 per cent in 2023.

Monetary policy tightening by central banks globally and in the region, the protracted Russian invasion of Ukraine, and recurring lockdowns in the People's Republic of China (PRC) are slowing down developing Asia's recovery from the COVID-19 pandemic. Restrictions under the "zero-COVID" approach, along with a struggling property market, have led to another downgrade of the PRC's growth outlook.

"Asia and the Pacific will continue to recover, but worsening global conditions mean that the region's momentum is losing some steam as we head into the new year," said ADB Chief Economist Albert Park. "Governments will need to work together more closely to overcome the lingering challenges of COVID-19, combat the effects of high food and

energy prices - especially on the poor and vulnerable - and ensure a sustainable, inclusive economic recovery."

ADB lowered its forecast for inflation in developing Asia and the Pacific this year to 4.4 per cent from 4.5 per cent. However, the bank raised its projection for next year to 4.2 per cent from 4.0 per cent, due to lingering inflationary pressures from energy and food.

The PRC's economy is forecast to expand by 3.0 per cent this year, compared with a previous projection of 3.3 per cent. The forecast for next year was cut to 4.3 per cent from 4.5 per cent, due to the global slowdown. GDP growth projections for India were maintained at 7.0 per cent this fiscal year and 7.2 per cent next fiscal year.

Even with the downgraded forecasts, developing Asia will still do better than other regions globally, both in terms of growth and inflation. ADB's growth forecast for Southeast Asia this year was raised to 5.5 per cent from 5.1 per cent, amid robust consumption and tourism recovery in Malaysia, the Philippines, Thailand, and Viet Nam. Projections for next year, however, were lowered to 4.7 per cent from 5.0 per cent due to weakening global demand.

The growth forecast for the Caucasus and Central Asia this year was upgraded to 4.8 per cent from 3.9 per cent, while the projection for the Pacific was raised to 5.3 per cent from 4.7 per cent, due to a strong tourism recovery in Fiji.

ADO is published every April, with an update in September and brief supplements published normally in July and December. Developing Asia refers to the bank's 46 developing members.

3. Public investment engine of growth for 2023: Experts

Given the little room left for monetary policy to add stimulus to the economy, fiscal policy would be the engine of growth next year, according to Ho Sy Hung,

Vice Chairman of the Commission for the Management of State Capital at Enterprises.

Hung was speaking at the conference 'The driving forces behind Vietnam's economic growth in 2023' on December 14.

The vice chairman said Vietnam was aiming to reach an annual growth rate of 6.5% and an inflation rate of 4.5% in 2023. GDP per capita was expected to top 4,400 USD and the manufacturing sector would contribute to around 25.4-25.8 % of the national output

He underlined public investment as a significant factor driving economic growth next year. He estimated total public investment to be delivered in 2023 at 730 trillion VND (31 billion USD), higher than the realised figure of 540 trillion VND in 2022.

"We need to simplify administrative processes to move public investment faster," said Hung.

He also called for greater involvement of private enterprises in national investment to add impetus to economic growth.

Phan Duc Hieu, member of the National Assembly's Economic Committee, said the delivery of the economic recovery package of 350 trillion VND (15 billion USD) would move slowly in 2022 but accelerate dramatically in 2023.

He also said most Vietnam's economic indicators hit the target in the first nine months of 2022, except for productivity. The indicator has fallen short of the mark for three consecutive quarters.

In terms of entrepreneurship, around 194,000 enterprises emerged in the economy in the first 11 months of the year, up 33.2% year-by-year. At the same time, roughly 132,000 enterprises disappeared from the market, up 24.3%.

"Enterprises are the driving force behind economic growth, yet they are finding themselves in difficulties," said Hieu.

He urged the government to keep a closer watch on enterprises and come up with timely policies to lift them out of hardship. He also said the government should stay away from 'overnight policies', which are inconsistent and unpredictable, as they would catch enterprises off guard.

Vu Tien Loc, President of the Vietnam International Arbitration Centre, said winter is coming for Vietnamese enterprises as the number of enterprises leaving the market keeps increasing.

"Seven enterprises shut down for every ten enterprises emerge," said Loc.

To survive the economic winter, enterprises need to integrate social responsibility, sustainable development, and good corporate governance into their operation.

He said ESG standards (environmental, social, and governance) are no longer a choice but an imperative for enterprises to gain ground in a fast-changing business environment.

Vo Tri Thanh, Director of the Institute for Brand and Competitiveness Strategy, said that the fast economic growth in Q3 carried some risk to the banking system.

He underlined the rise in credit caps as a timely move that has significantly improved the situation. He also said there is little maneuvering space for monetary policy.

4. Vietnam's turnover to hit record high of US\$700 billion in 2022

The country previously hit the \$500-billion and \$600-billion thresholds in 2020 and 2021, noted the customs agency.

This showed a big leap in Vietnam's trade performance over the past two decades, starting

from a modest turnover of \$30 billion in turnover in 2001, stated the GDVC.

Six years later, when Vietnam joined the World Trade Organization (WTO), the revenue rose to \$100 billion and later doubled to \$200 billion in just four-year time.

Statistics figures revealed the foreign-invested sector posted a trade revenue of \$468.7 billion during the 11 months, representing an increase of 12.1% year on year and accounting for 66% of the country's total.

The United States remained Vietnam's largest export market, with revenues of \$101 billion between January and November, up 18% from last year. China, meanwhile, was Vietnam's largest supplier, with sales worth \$109 billion, up 10%.

On November 30, Vietnam posted a trade surplus of over \$10.6 billion.

In 2021, the World Trade Organization (WTO) ranked Vietnam among the world's top 23 economies in export revenue and 20th in imports. The country remained second behind Singapore's export and import revenues among ASEAN countries.

5. PM seeks to rescue gloomy real estate sector

PM Chinh told the Ministry of Construction and relevant authorities to carry out Decision 1435/QD-TTg issued on November 17, which requires the ministry to join hands with localities and real estate companies to cope with obstacles plaguing construction projects and tackle paperwork roadblocks.

It was also asked to speed up the plan to build one million low-cost homes for workers and low-income people from 2021-2030 as prescribed in Resolution 11/NQ-CP on socioeconomic recovery and development.

Meanwhile, the central bank's governor was urged to work with commercial banks and relevant agencies on developing economies, cutting down on bureaucratic procedures and offering new loans to

Hanoi's exports set to expand by 10% in 2022

Hanoi's exports in the first 11 months of 2022 rose by 11.4% year on year to \$15.4 billion, in which the domestic sector shipments made up \$8.2 billion, up 7.6%, and the foreign-invested sector, \$7.2 billion, up 16%.

Several key export staples posted higher revenue year on year, including textile and garment at \$2.3 billion, up 18.1%; computers and parts (\$2.2 billion, up 21.2%); equipment and machinery (\$1.8 billion, up 2.9%).

In return, the city imported goods and services worth \$37.3 billion, up 18.5% year on year.

This year, Hanoi is set to complete all 22 socio-economic development targets, including a GRDP growth target of 8.9% and export growth at over 10%.

property firms and homebuyers to relieve the financial burden on the industry.

The minister of Natural Resources and Environment, together with the minister of Planning and Development, was tasked with paving the way for housing projects by completing the legal framework for laws on land, investment and bidding.

The minister of Finance was entrusted with monitoring the issue of realty bonds and coming up with solutions to deal with difficulties and measures ensuring the healthy, transparent, safe and effective operations of the corporate bond market, according to an official dispatch the prime minister signed on December 13.

6. Public investment engine of growth for 2023

The vice chairman said Viet Nam was aiming to reach an annual growth rate of 6.5 per cent and an inflation rate of 4.5 per cent in 2023. GDP per capita

was expected to top US\$4,400 and the manufacturing sector would contribute to around 25.4 to 25.8 per cent of the national output

He underlined public investment as a significant factor driving economic growth next year. He estimated total public investment to be delivered in 2023 at VND730 trillion (\$31 billion), higher than the realised figure of VND540 trillion in 2022.

"We need to simplify administrative processes to move public investment faster," said Hung.

Hung also called for greater involvement of private enterprises in national investment to add impetus to economic growth.

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He also said most Viet Nam's economic indicators hit the target in the first nine months of 2022, except for productivity. The indicator has fallen short of the mark for three consecutive quarters.

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7. Airlines continue to increase flights to serve Lunar New Year

Previously, airlines announced the first increase in capacity to serve the peak of Tet on August 15, with the total number of seats provided for the entire domestic and international network reaching millions of seats.

Airlines record rapid growth in ticket bookings in the days leading up to Tet.

In particular, passengers tend to book tickets with earlier departure dates than in previous years.

The Civil Aviation Authority of Viet Nam under the Ministry of Transport said that the 2022-2023 winter flight schedule of domestic airlines starts on October 30 (the last Sunday of October) and ends on March 25, 2023 (the last Saturday of March).

Vietnam Airlines Group, including Vietnam Airlines, Pacific Airlines and VASCO, provided a total of 15,767 flights, an increase of more than 4,000 flights, providing more than 1.1 million seats to meet people's dramatic increase in travel demand for the Tet holiday.

Vietjet Air increased the number of flights by 30 per cent, providing over 12,000 flights, bringing the number of seats supplied to more than 2.6 million, an increase of more than 600,000 compared to the normal operating schedule.

As the airline with the largest increase in flights during the Lunar New Year, Pacific Airlines, a member of Vietnam Airlines Group, rose by 59 per cent, equivalent to an increase of 1,364 flights, raising the number of seats supplied by 68 per cent with nearly 290,000 seats.

The routes with the most flights are HCM City – Ha Noi, Da Nang, Dong Hoi, Vinh, Thanh Hoa, Chu Lai, Hai Phong, Quy Nhon, Hue and vice versa.

A representative of Vietnam Airlines said that the number of domestic flight bookings during the peak of Tet has increased by about 15 per cent compared to the same period in 2019, before the COVID-19 pandemic.

The great demand focuses on flights to visit relatives from HCM City to Vinh, Thanh Hoa, Hai Phong, Hue, Quy Nhon, Buon Me Thuot, Pleiku and Dong Hoi.

Regarding the "sold-out" economy class, only business class remains, a representative of Vietnam Airlines confirmed that ticket prices for Tet this year are still open for sale flexibly according to the market situation with a variety of prices and compliance with domestic ceiling price regulations.

Many people could not return to their hometowns after two years of the pandemic, so they planned to buy tickets early, causing the regular fare range on some routes to be sold out, said the representative.

In addition to the national airline, Vietravel Airlines has also announced that some routes from HCM City to Quy Nhon and Da Nang have been "locked".

The route from HCM City to Ha Noi has also had approximately 40 per cent of passengers, due to the tendency of customers to buy tickets close to Tet.

In order to avoid buying fake and unconfirmed tickets, airlines recommend passengers buy tickets on websites, mobile applications, ticket offices and official agents.

Corporate News

8. PNJ: Decreasing charter capital

↑ 0.00%

On December 13, 2022, Phu Nhuan Jewelry Joint Stock Company received the Certificate of Business Registration which changed 32nd dated December 12, 2022. Accordingly, the Company's charter capital as follows:

- Charter capital as the Business Registration Certificate changed 31st: VND2,276,123,620,000.
- Charter capital as the Business Registration Certificate changed 32nd: VND2,275,361,220,000.

Reason for decreasing charter capital: the repurchase of 76,240 ESOP shares, equivalent to VND762,400,000.

In addition, in 2022, the Company completed the share private placement (offering volume: 15,000,000 shares, ending date: March 30, 2022) and the stock issuance under ESOP in 2021 (issuance volume: 3,635,498 shares, ending date: August 26, 2022). Accordingly, the Company's current charter capital: VND2,461,716,200,000 (after decreasing 762,400,000 dongs as mentioned above).

9. VCI: Plan for the first cash dividend payment in 2022

↑ 2.85%

The Board resolution dated December 14, 2022, the Board of Directors of Viet Capital Securities Joint Stock Company approved the record date to pay first cash dividend for 2022 as follows:

- Record date: December 28, 2022
- Exercise ratio: 7%/share (700 dongs/share)
- Payment time: expected on January 09, 2023.

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